Concordia University

Board of Governors

Concordia Employee Benefits Committee

Meeting of April 19 1978

Attendance: Mr. H. Hemens, Chairman, Mr. E. Lemieux, Mr. A. Duff, Prof. C. Goldman, Prof. A. Dickie, Mr. P. Gore, Prof. G. Martin, Mr. C. Waters, Miss M.D. Johnson, Mr. B. Morency of William M. Mercer Ltd.

Minutes of March 29 1978

It was proposed by Professor Goldman, seconded by Professor Dickie and unanimously carried that the minutes of the March 29, 1978 meeting be approved as circulated.

Professor Gracovetsky's Request to halt contributions

The Chairman advised the Committee that he had spoken with Mr. Gracovetsky and agreed to present the case to the Committee. Mr. Hemens added that the facts of the case were outlined in correspondence circulated to the Committee members (Appendix "A"). Mr. Hemens remarked that Mr. Gracovetsky admitted that there had been negligence on his part since he had not opted out of the contributory plan when provided an opportunity.

Mr. Lemieux commented that if the Committee were to accede to Mr. Gracovetsky's request, it would be unable to refuse any other requests of the same nature.

After discussion the Committee unanimously agreed that it could not accede to Mr. Gracovetsky's request on the basis that it would contravene the provisions of the Plan. It was furthermore agreed that where such power is available to the Committee, sufficient merit was not seen in this case to consider the request.

The Secretary was instructed to write to Mr. Gracovetsky informing him of the Committee's decision and its reasons.

Term of Office for the Committee

Terms of office of elected members were discussed in conjunction with C. Waters memo of April 4 1978 (Appendix "B"). The Committee was in general agreement, however Mr. Duff pointed out that it was inadvisable to have terms of office on a calendar year basis due to the fact that faculty contracts were written on an academic year basis resulting in the strong possibility of the Committee losing members in mid-year due to resignation or sabbatical leave.

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The Committee agreed therefore to retain the terms of elected membership as set up initially. As Mr. Gore was leaving Concordia in May, Mr. Reay's term would be extended to May 31st 1979 thereby retaining continuity. It was suggested that the summer period was not a good one in which to run an election for a faculty representative; it was therefore decided to postpone this election until the beginning of the fall term. Professor Dickie agreed to serve on the Committee until the new faculty representative was elected.

Health Insurance Plan

The Health Insurance Plan was discussed further to Colin Waters memorandum of April 7, 1978 (Appendix "C"). Mr. Waters advised the Committee that the $8.00 maximum for paramedical services no longer reflected what was considered as "reasonable and customary" and that $15.00 was a more realistic figure for today's treatment costs.

Mr. Duff stressed that at a certain point in time, increases in premiums would become necessary. Increasing the paramedical maximum from $8.00 to $15.00 per treatment would accelerate the arrival of that time. He added that the University would be unable to absorb the increase. When asked whether this meant the full amount of increase, Professor Martin commented that the plan was set up on a 50/50 basis and that it was the University's intention to maintain this split.

It was proposed by Mr. Lemieux, seconded by Professor Martin and unanimously carried to authorize the carrier to increase the paramedical maximum to $15.00 and to transfer the surplus of $11,587.00 to a Claims Fluctuation Fund.

Proposal to increase pensions to Retired Participants

Professor Dickie intervened before discussion of this topic to advise the Committee that he wished to propose recommendations which would take service into account.

It was agreed that discussion of this topic be delayed and that the Secretary and Professor Dickie meet on the subject and come up with a joint proposal.

Ex-Gratia Recommendations

Two recommendations had previously been circulated to the Committee; one for John Emmet Cannon and one for Mrs. Marie Claire Hamelin (Appendix "D" and "E" attached). It was explained that Mr. Cannon was 80 years of age and was therefore not entitled to join the University Pension Plan when he was hired in 1962.

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After some discussion it was proposed by Mr. Lemieux, seconded by Professor Dickie and unanimously carried that a recommendation be made to the Personnel Committee of the Board of Governors to grant an ex-gratia pension of $125.00 monthly to John Cannon, shipper receiver at Concordia University since 1962 who will be retiring on May 31st 1978.

It was also proposed by Mr. Lemieux, seconded by Mr. Gore and unanimously carried that a recommendation be made to the Personnel Committee of the Board of Governors to grant an ex-gratia pension of $125.00 monthly to Marie Claire Hamelin, widow of the late Raymond Hamelin, Security guard at Loyola Campus who died January 27, 1978; the pension is subject to review at 5 year intervals.

Pension Plan Document

The contributory period was discussed; the suggested text indicated that maximum contributory service could not exceed 40 years. There was some objection to this due to the fact that the benefit would continue to grow after cessation of contributions due to increases in the best average salary.

Mr. Morency suggested wording alond the following lines:

> " No member shall be required to contribute to the plan for more than 40 years. For Pension purposes, the 40 year period producing the highest benefit will be used."

The Committee agreed that Mercer should prepare the clause for inclusion in the final pension plan document.

Mr. Morency brought to the Committee's attention the fact that the Loyola Pension Plan contained a provision regarding deferred vested benefits. In essence, this provision provided for the conversion of the deferred benefit to units. When reaching normal retirement age, the amount payable would be the greater of the vested benefit or the amount paid under the unitized option.

Since the overall Concordia Plan provided a considerably higher level of benefits than the Loyola Plan, it was proposed by Professor Martin, seconded by Professor Dickie and unanimously carried that such a clause not be included in the Concordia Plan.

The meeting terminated at 2.15 p.m.

Colin Waters, Secretary